EXHIBIT

 $\overline{\mathbf{D}}$

System Agreement – Claim Handling Process

AGREEMENT BETWEEN UNION PACIFIC RAILROAD (UP) AND THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS (BLE)

Whereas the BLE and various Carriers represented by the National Railway Labor Conference (NRLC) (including UP) have entered into a tentative agreement;

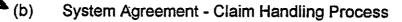
Whereas the aforementioned tentative agreement is presently subject to ratification by the BLE before it can become effective;

Whereas the BLE and UP have also reached certain other tentative agreements, listed below and attached hereto;

Whereas it is the intention of the parties that such other agreements, listed below and attached hereto, only become effective if and when the agreement between the BLE and those Carriers represented by the NRLC is ratified and becomes effective:

It is agreed:

- 1. The BLE and UP have reached tentative agreement on the following agreements, copies of which are attached hereto:
 - (a) System Agreement Discipline Rule



- (c) System Agreement Instructor Engineers
- (d) System Agreement Peer Training
- (e) System Agreement Weight on Drivers
- (f) System Agreement Extra (Undisturbed) Rest
- (g) System Agreement Without Fireman Payment
- (h) System Agreement Compensation Delivery
- 2. The above-listed agreements will become effective only if and when the agreement between the BLE and the various Carriers represented by the NRLC is ratified and becomes effective. In that event, the above listed agreements will become effective on the same date as the BLE/NRLC Agreement.

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Signed this	<u> 2/</u> day	of haveh	, 1996
B. D. MacArthur - B	- arthur	L. A. Lamber	t - UP
D. E. Penning - BL		A. T. Olin - U	My Car
M. L. Royal, Jr. BI	lg E	J.M. Raaz - I	De UP
D. L. Stewart - BLE	war	Approved:	
M. A. Young - BLE) June	J.J. Marchan	at -Sr. AVP - UPRR
Approved:	_	·	

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SYSTEM AGREEMENT - CLAIM HANDLING PROCESS

In an effort to provide a method for a condensed and more expedited process of handling time claims, it is agreed that all time claims after ratification of this Agreement shall be handled as follows:

- 1. All time claims must be presented in writing by or on behalf of the employee involved, to the officer of the Company authorized to receive same, within sixty (60) days of the date of the occurrence on which the claim is based.
- 2. Should any time claim be disallowed, the Carrier, within sixty (60) days from the date same was filed, must notify the employee or his representative in writing of the reason(s) for such disallowance.
- If a disallowed claim is to be appealed on behalf of the employee, such appeal must be in writing within sixty (60) days from receipt of the notice of disallowance.
- 4. Within sixty (60) days of the date of the appeal, the highest Labor Relations Officer authorized to handle such claim must notify the employee's representative in writing of his/her decision to reject this appeal.
- 5. Within one-hundred-eighty (180) days of the date of the rejection of the appeal, the B.L.E. 's highest designated officer to handle such claims must list this claim, in writing, for conference with Labor Relations.
- 6. Within sixty (60) days of the Time Claim Conference, Labor Relations must send a final rejection letter of such claim to the B.L.E.'s highest designated officer to handle such claim.
- 7. Within one-hundred-eighty (180) days of the date of the final rejection letter after Conference, the highest B.L.E. officer designated to handle such time claims must list the claim before a tribunal having jurisdiction pursuant to the law or agreement.
- 8. If either party fails to comply with a time limit contained in this agreement, the claim shall be allowed (if the carrier's failure) or withdrawn (if the organization's failure). Claims so disposed of shall not be considered as a precedent or a waiver of the contentions of either party as to other similar claims.
- All rights of the Claimant involved in continuing alleged violations of the Agreement shall, under this rule, be fully protected by continuing to file a claim for each occurrence (or tour of duty).

- 10. This rule recognizes the right of the representatives of the Organization party hereto to file and prosecute claims for and on behalf of the employees they represent.
- Note 1: It is understood the time limits set forth in this Rule may be extended by mutual agreement of the parties.
- Note 2: The use of the term "in writing" in this Rule includes the use of electronic or computer-based delivery or transmission methods.
- Note 3: The parties agree all claims submitted prior to the effective date of this Rule will continue to be handled in accordance with applicable rules or procedures previously in effect. All claims submitted on or after the effective date of this Rule will be handled in accordance with this Rule.
- Q-1: What does the term "list the claim" in Section 7 mean?
- A-1: In "list(ing) the claim", the Organization must either docket the claim to a Public Law Board in accordance with applicable National Mediation Board rules and procedures or file an ex parte notice of intent with the First Division, NRAB.
- Q-2: Does this rule apply to claims under Labor Protective conditions?
- A-2: Yes, unless the labor protective conditions provide for different time limits or procedures.